

2. Defendants deny Paragraph 2.

3. Defendants admit the allegation in Paragraph 3 that venue is proper in the Southern District of Texas, Houston Division, but Defendants deny the stated basis for that allegation.

4. Defendants deny Paragraph 4.

5. Defendants admit Paragraph 5.

6. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 6 and, accordingly, deny Paragraph 6.

7. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 7 and, accordingly, deny Paragraph 7.

8. Defendants admit that the Trustee states in Paragraph 8 that the Trustee will use the stated abbreviation in the complaint; otherwise, denied.

9. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 9 and, accordingly, deny Paragraph 9.

10. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 10 and, accordingly, deny Paragraph 10.

11. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 11 and, accordingly, deny Paragraph 11.

12. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 12 and, accordingly, deny Paragraph 12.

13. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 13 and, accordingly, deny Paragraph 13.

14. Defendants admit Paragraph 14.

15. Defendants deny Paragraph 15. Defendants further states that based on information and belief, Watermark Land, LP, a Delaware limited partnership, was converted to Watermark Land, LLC, a Delaware limited liability company, on or about December 31, 2008.

16. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 16 and, accordingly, deny Paragraph 16.

17. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 17 and, accordingly, deny Paragraph 17.

18. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 18 and, accordingly, deny Paragraph 18.

19. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 19 and, accordingly, deny Paragraph 19.

20. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 20 and, accordingly, deny Paragraph 20.

21. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 21 and, accordingly, deny Paragraph 21.

22. Defendants admit Paragraph 22.

23. Defendants admit Paragraph 23.

24. Defendants admit that the Trustee is the appointed trustee as alleged in Paragraph 24; otherwise, denied.

25. Defendants admit the allegations in Paragraph 25, except that Defendants are without knowledge or information sufficient to form a belief of when Royce Homes ceased doing business and, accordingly, deny that alleged fact.

26. Defendants admit the allegation in Paragraph 26 that Royce Homes sold homes in Houston and other markets, but Defendants are without knowledge or information sufficient to form a belief of the remaining characterization of the nature of the business of Royce Homes and, accordingly, deny those allegations.

27. Defendants admit the first and second sentences of Paragraph 27. Defendants deny the factual allegations of the third sentence of Paragraph 27 alleging that Mr. Kopecky was an officer, insider and exercised any control over Royce Homes and/or its related entities. Defendants are without knowledge or information sufficient to form a belief about the truth of the remainder of Paragraph 27 and, accordingly, deny the remainder of Paragraph 27.

28. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 28 and, accordingly, deny Paragraph 28.

29. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 29 and, accordingly, deny Paragraph 29.

30. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 30 and, accordingly, deny Paragraph 30.

31. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 31 and, accordingly, deny Paragraph 31.

32. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 32 and, accordingly, deny Paragraph 32.

33. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 33 and, accordingly, deny Paragraph 33.

34. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 34 and, accordingly, deny Paragraph 34.

35. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 35 and, accordingly, deny Paragraph 35.

36. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 36 and, accordingly, deny Paragraph 36.

37. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 37 and, accordingly, deny Paragraph 37.

38. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 38 and, accordingly, deny Paragraph 38.

39. Defendants deny the factual allegations of Paragraph 39.

40. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 40 and, accordingly, deny Paragraph 40.

41. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 41 and, accordingly, deny Paragraph 41.

42. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of these documents referenced in Paragraph 42, and, accordingly, deny such characterization of these documents in Paragraph 42.

43. Defendants admit the first sentence of Paragraph 43. Defendants are without knowledge or information sufficient to form a belief about the truth of the remainder of Paragraph 43 and, accordingly, deny the second sentence of Paragraph 43.

44. Defendants deny the factual allegations of the first sentence of Paragraph 44 to the extent that it refers to Mr. Kopecky. Defendants are without knowledge or information sufficient to form a belief about the truth of the remainder of Paragraph 44 and, accordingly, deny there remainder of Paragraph 44.

45. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 45 and, accordingly, deny Paragraph 45.

46. Defendants admit Paragraph 46.

47. Defendants admit Paragraph 47 to the extent that Defendants acknowledge the Trustee is seeking alleged ill-gotten gains from the Defendants and other parties; however, Defendants deny any liability under the causes of action set forth in the Complaint.

48. Defendants are of the information and belief that Royce Homes was organized as a Delaware limited partnership as alleged Paragraph 48. Defendants are without knowledge or information sufficient to form a belief about the truth of the remainder of Paragraph 48 and, accordingly, deny the remainder of Paragraph 48.

49. Defendants admit the factual allegations of Paragraph 49.

50. Defendants admit that the original general partner of Royce Homes was Hammersmith Group, Inc. as alleged in Paragraph 50. Defendants are without knowledge or information sufficient to form a belief about the truth of the remainder of Paragraph 50 and, accordingly, deny the remainder of Paragraph 50.

51. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 51 and, accordingly, deny Paragraph 51.

52. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 52 and, accordingly, deny Paragraph 52.

53. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 53 and, accordingly, deny Paragraph 53.

54. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 54 and, accordingly, deny Paragraph 54.

55. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 55 and, accordingly, deny Paragraph 55.

56. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 56 and, accordingly, deny Paragraph 56.

57. Defendants deny Paragraph 57.

58. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 58 and, accordingly, deny Paragraph 58.

59. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 59 and, accordingly, deny Paragraph 59.

60. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 60 and, accordingly, deny Paragraph 60.

61. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 61 and, accordingly, deny Paragraph 61.

62. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 62 and, accordingly, deny Paragraph 62.

63. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 63 and, accordingly, deny Paragraph 63.

64. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 64 and, accordingly, deny Paragraph 64.

65. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 65 and, accordingly, deny Paragraph 65.

66. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 66 and, accordingly, deny Paragraph 66.

67. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 67 and, accordingly, deny Paragraph 67.

68. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 68 and, accordingly, deny Paragraph 68.

69. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 69 and, accordingly, deny Paragraph 69.

70. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 70 and, accordingly, deny Paragraph 70.

71. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 71 and, accordingly, deny Paragraph 71.

72. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 72 and, accordingly, deny Paragraph 72.

73. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 73 and, accordingly, deny Paragraph 73.

74. Defendants deny Paragraph 74.

75. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 75 and, accordingly, deny Paragraph 75.

76. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 76 and, accordingly, deny Paragraph 76.

77. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 77 and, accordingly, deny Paragraph 77.

78. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 78 and, accordingly, deny Paragraph 78.

79. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 79 and, accordingly, deny Paragraph 79.

80. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 80 and, accordingly, deny Paragraph 80.

81. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 81 and, accordingly, deny Paragraph 81.

82. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 82 and, accordingly, deny Paragraph 82.

83. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 83 and, accordingly, deny Paragraph 83.

84. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 84 and, accordingly, deny Paragraph 84.

85. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 85 and, accordingly, deny Paragraph 85.

86. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 86 and, accordingly, deny Paragraph 86.

87. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 87 and, accordingly, deny Paragraph 87.

88. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 88 and, accordingly, deny Paragraph 88.

89. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 89 and, accordingly, deny Paragraph 89.

90. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 90 and, accordingly, deny Paragraph 90.

91. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 91 and, accordingly, deny Paragraph 91.

92. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 92 and, accordingly, deny Paragraph 92.

93. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 93 and, accordingly, deny Paragraph 93.

94. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 94 and, accordingly, deny Paragraph 94.

95. As the allegations pertaining to Defendants, Defendants deny the allegations of Paragraph 95 for the reasons set forth in this Answer. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 95 as for the other Defendantss and, accordingly, deny this Paragraphs 95 as alleged as for the other Defendantss.

96. Defendants incorporate all denials and admissions as set forth above with respect to

each claim set forth in the Original Complaint in response to Paragraph 96.

97. Defendants admit the first sentence of Paragraph 97 to the extent that the Trustee has filed a claim for Breach of Partnership Agreement against other parties. Otherwise, Defendants deny Paragraph 97.

98. Defendants deny that he owes any duty of good faith as alleged by the Trustee and, alternatively, Defendants deny that he acted in bad faith as alleged in Paragraph 98.

99. Paragraph 99 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 99.

100. Paragraph 100 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 100.

101. Paragraph 101 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 101.

102. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraphs 102 and, accordingly, deny such characterization of those documents in Paragraphs 102. However, Defendants deny that the Defendants violated any such provisions or acted wrongfully under any of the alleged provisions.

103. Defendants admit that the plain terms of the documents construed, taking into account

all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraphs 103 and, accordingly, deny such characterization of those documents in Paragraphs 103. However, Defendants deny that the Defendants violated any such provisions or acted wrongfully under any of the alleged provisions.

104. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraphs 104 and, accordingly, deny such characterization of those documents in Paragraphs 104. However, Defendants deny that the Defendants violated any such provisions or acted wrongfully under any of the alleged provisions.

105. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraphs 105 and, accordingly, deny such characterization of those documents in Paragraphs 105. However, Defendants deny that the Defendants violated any such provisions or acted wrongfully under any of the alleged provisions.

106. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraphs 106 and, accordingly, deny such characterization of those documents in Paragraphs 106. However, Defendants deny that the

Defendants violated any such provisions or acted wrongfully under any of the alleged provisions.

107. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraphs 107 and, accordingly, deny such characterization of those documents in Paragraphs 107. However, Defendants deny that the Defendants violated any such provisions or acted wrongfully under any of the alleged provisions.

108. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraphs 108 and, accordingly, deny such characterization of those documents in Paragraphs 108. However, Defendants deny that the Defendants violated any such provisions or acted wrongfully under any of the alleged provisions.

109. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraphs 109 and, accordingly, deny such characterization of those documents in Paragraphs 109. However, Defendants deny that the Defendants violated any such provisions or acted wrongfully under any of the alleged provisions.

110. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the

plain terms of the documents referenced in Paragraphs 110 and, accordingly, deny such characterization of those documents in Paragraphs 110. However, Defendants deny that the Defendants violated any such provisions or acted wrongfully under any of the alleged provisions.

111. Defendants deny the allegations in Paragraph 111 that he had and/or exercised any control over Royce Homes or its' General Partner, Hammersmith Group, Inc. Defendants therefore deny that he had any fiduciary duty to Royce Homes or Hammersmith Group, Inc. Defendants further deny that he breach the Royce Homes Partnership Agreement in any manner. Defendants deny the remainder of Paragraph 111.

112. Defendants deny the allegations in Paragraph 112.

113. Defendants deny the allegations in Paragraph 113.

114. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 114 and, accordingly, deny Paragraph 114.

115. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 115 and, accordingly, deny Paragraph 115.

116. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 116 and, accordingly, deny Paragraph 116.

117. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 117 and, accordingly, deny Paragraph 117.

118. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 118 and, accordingly, deny Paragraph 118.

119. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 119 and, accordingly, deny Paragraph 119.

120. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 120 and, accordingly, deny Paragraph 120.

121. Defendants admit Paragraph 121 to the extent that the items set forth in Paragraph 120 total \$10,365,512.55. Otherwise, Defendants deny Paragraph 121.

122. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 122 and, accordingly, deny Paragraph 122.

123. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 123 and, accordingly, deny Paragraph 123.

124. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 124 and, accordingly, deny Paragraph 124.

125. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 125 and, accordingly, deny Paragraph 125.

126. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 126 and, accordingly, deny Paragraph 126.

127. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 127 and, accordingly, deny Paragraph 127.

128. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 128 and, accordingly, deny Paragraph 128.

129. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 129 and, accordingly, deny Paragraph 129.

130. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 130 and, accordingly, deny Paragraph 130.

131. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 131 and, accordingly, deny Paragraph 131.

132. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 132 and, accordingly, deny Paragraph 132.

133. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 133 and, accordingly, deny Paragraph 133.

134. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 134 and, accordingly, deny Paragraph 134.

135. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 135 and, accordingly, deny Paragraph 135.

136. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 136 and, accordingly, deny Paragraph 136.

137. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 137 and, accordingly, deny Paragraph 137.

138. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 138 and, accordingly, deny Paragraph 138.

139. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 139 and, accordingly, deny Paragraph 139.

140. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 140 and, accordingly, deny Paragraph 140.

141. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 141 and, accordingly, deny Paragraph 141.

142. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 142 and, accordingly, deny Paragraph 142.

143. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 143 and, accordingly, deny Paragraph 143.

144. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 144 and, accordingly, deny Paragraph 144.

145. Defendants admit Paragraph 145 to the extent that the items set forth in Paragraph 144 total \$2,667,791.02.

146. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 146 and, accordingly, deny Paragraph 146.

147. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 147 and, accordingly, deny Paragraph 147.

148. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 148 and, accordingly, deny Paragraph 148.

149. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 149 and, accordingly, deny Paragraph 149.

150. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 150 and, accordingly, deny Paragraph 150.

151. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 151 and, accordingly, deny Paragraph 151.

152. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 152 and, accordingly, deny Paragraph 152.

153. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 153 and, accordingly, deny Paragraph 153.

154. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 154 and, accordingly, deny Paragraph 154.

155. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 155 and, accordingly, deny Paragraph 155.

156. Defendants deny any liability as stated in Paragraph 156.

157. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 157 and, accordingly, deny Paragraph 157.

158. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 158 and, accordingly, deny Paragraph 158.

159. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 159 and, accordingly, deny Paragraph 159.

160. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 160 and, accordingly, deny Paragraph 160.

161. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 161 and, accordingly, deny Paragraph 161.

162. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 162 and, accordingly, deny Paragraph 162.

163. Defendants deny any liability as stated in Paragraph 163.

164. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 164 and, accordingly, deny Paragraph 164.

165. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 165 and, accordingly, deny Paragraph 165.

166. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 166 and, accordingly, deny Paragraph 166.

167. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 167 and, accordingly, deny Paragraph 167.

168. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 168 and, accordingly, deny Paragraph 168.

169. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 169 and, accordingly, deny Paragraph 169.

170. Defendants deny any liability as stated in Paragraph 170.

171. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 171 and, accordingly, deny Paragraph 171.

172. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 172 and, accordingly, deny Paragraph 172.

173. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 173 and, accordingly, deny Paragraph 173.

174. Defendants deny any liability as stated in Paragraph 174.

175. Defendants deny all damages and liability related thereto as set forth in Paragraph 175.

176. Defendants admit Paragraph 176 to the extent that the Trustee has asserted a claim for breach of fiduciary duty, as well as conspiracy, aiding and abetting, and acting in concert in the

breach against other parties. Otherwise, Defendants deny Paragraph 176.

177. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 173 and, accordingly, deny Paragraph 177.

178. Defendants admit Paragraph 178 as a general proposition of law, but not as to the specific facts of this case.

179. Paragraph 179 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 179.

180. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraph 180, and, accordingly, deny such characterization of those documents in Paragraph 180.

181. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraph 181, and, accordingly, deny such characterization of those documents in Paragraph 181.

182. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraph 182, and, accordingly, deny such

characterization of those documents in Paragraph 182.

183. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraph 183, and, accordingly, deny such characterization of those documents in Paragraph 183.

184. Defendants deny the allegations of Paragraph 184.

185. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 185 and, accordingly, deny Paragraph 185.

186. Defendants deny the existence of the fiduciary duty as alleged and deny the allegations of Paragraph 186.

187. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 187 and, accordingly, deny Paragraph 187.

188. Paragraph 188 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 188.

189. Paragraph 189 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 189.

190. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the

plain terms of the documents referenced in Paragraph 190, and, accordingly, deny such characterization of those documents in Paragraph 190.

191. Defendants admit Paragraph 191.

192. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 192 and, accordingly, deny Paragraph 192.

193. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraph 193, and, accordingly, deny such characterization of those documents in Paragraph 193.

194. Defendants deny the allegations of Paragraph 194.

195. Defendants deny the allegations of Paragraph 195.

196. Paragraph 196 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 196.

197. Defendants deny the allegations of Paragraph 197.

198. Defendants deny the allegations of Paragraph 198.

199. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 199 and, accordingly, deny Paragraph 199.

200. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 200 and, accordingly, deny Paragraph 200.

201. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 201 and, accordingly, deny Paragraph 201.

202. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 202 and, accordingly, deny Paragraph 202.

203. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 203 and, accordingly, deny Paragraph 203.

204. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 204 and, accordingly, deny Paragraph 204.

205. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 205 and, accordingly, deny Paragraph 205.

206. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 206 and, accordingly, deny Paragraph 206.

207. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 207 and, accordingly, deny Paragraph 207.

208. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 208 and, accordingly, deny Paragraph 208.

209. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 209 and, accordingly, deny Paragraph 209.

210. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 210 and, accordingly, deny Paragraph 210.

211. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 211 and, accordingly, deny Paragraph 211.

212. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 212 and, accordingly, deny Paragraph 212.

213. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 213 and, accordingly, deny Paragraph 213.

214. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 214 and, accordingly, deny Paragraph 214.

215. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 215 and, accordingly, deny Paragraph 215.

216. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 216 and, accordingly, deny Paragraph 216.

217. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 217 and, accordingly, deny Paragraph 217.

218. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 218 and, accordingly, deny Paragraph 218.

219. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 219 and, accordingly, deny Paragraph 219.

220. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 220 and, accordingly, deny Paragraph 208.

221. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 221 and, accordingly, deny Paragraph 221.

222. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 222 and, accordingly, deny Paragraph 222.

223. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 223 and, accordingly, deny Paragraph 223.

224. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 224 and, accordingly, deny Paragraph 224.

225. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 225 and, accordingly, deny Paragraph 225.

226. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 226 and, accordingly, deny Paragraph 226.

227. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 227 and, accordingly, deny Paragraph 227.

228. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 228 and, accordingly, deny Paragraph 228.

229. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 229 and, accordingly, deny Paragraph 229.

230. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 230 and, accordingly, deny Paragraph 230.

231. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 231 and, accordingly, deny Paragraph 231.

232. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 232 and, accordingly, deny Paragraph 232.

233. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 233 and, accordingly, deny Paragraph 233.

234. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 234 and, accordingly, deny Paragraph 234.

235. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 235 and, accordingly, deny Paragraph 235.

236. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 236 and, accordingly, deny Paragraph 236.

237. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 237 and, accordingly, deny Paragraph 237.

238. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 238 and, accordingly, deny Paragraph 238.

239. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 239 and, accordingly, deny Paragraph 239.

240. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 240 and, accordingly, deny Paragraph 240.

241. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 241 and, accordingly, deny Paragraph 241.

242. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 242 and, accordingly, deny Paragraph 242.

243. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 243 and, accordingly, deny Paragraph 243.

244. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 244 and, accordingly, deny Paragraph 244.

245. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 245 and, accordingly, deny Paragraph 245.

246. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 246 and, accordingly, deny Paragraph 246.

247. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 247 and, accordingly, deny Paragraph 247.

248. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 248 and, accordingly, deny Paragraph 248.

249. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 249 and, accordingly, deny Paragraph 249.

250. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 250 and, accordingly, deny Paragraph 250.

251. Defendants admit Paragraph 251 to the extent that the Trustee has asserted a claim for breach of fiduciary duty, as well as conspiracy, aiding and abetting, and acting in concert in the breach against parties other than the Defendants. Otherwise, Defendants deny Paragraph 251.

252. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 252 and, accordingly, deny Paragraph 252.

253. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 253 and, accordingly, deny Paragraph 253.

254. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 254 and, accordingly, deny Paragraph 254.

255. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 255 and, accordingly, deny Paragraph 255.

256. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 256 and, accordingly, deny Paragraph 256.

257. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 257 and, accordingly, deny Paragraph 257.

258. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 258 and, accordingly, deny Paragraph 258.

259. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 259 and, accordingly, deny Paragraph 259.

260. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 260 and, accordingly, deny Paragraph 260.

261. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 261 and, accordingly, deny Paragraph 261.

262. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 262 and, accordingly, deny Paragraph 262.

263. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 263 and, accordingly, deny Paragraph 263.

264. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 264 and, accordingly, deny Paragraph 264.

265. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 265 and, accordingly, deny Paragraph 265.

266. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 266 and, accordingly, deny Paragraph 266.

267. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 267 and, accordingly, deny Paragraph 267.

268. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 268 and, accordingly, deny Paragraph 268.

269. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 269 and, accordingly, deny Paragraph 269.

270. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 270 and, accordingly, deny Paragraph 270.

271. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 271 and, accordingly, deny Paragraph 271.

272. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 272 and, accordingly, deny Paragraph 272.

273. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 273 and, accordingly, deny Paragraph 273.

274. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 274 and, accordingly, deny Paragraph 274.

275. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 275 and, accordingly, deny Paragraph 275.

276. Defendants admit Paragraph 276 to the extent that the Trustee has asserted a claim for conspiracy, aiding and abetting, and acting in concert in the breach against the Defendants and other parties. However, Defendants deny that they participated in any conspiracy, aiding and abetting and/or acting in concert as alleged in Paragraph 276.

277. Defendants deny that Mr. Kopecky was an officer of Royce Homes and Hammersmith Group, and deny that he owed any fiduciary duty, as alleged. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 277 and, accordingly, deny Paragraph 277.

278. Defendants admit the allegations in Paragraph 278 to the extent that Watermark Land's initial purpose was to acquire property along coastal areas and develop resort properties, that it was organized in Delaware on or about December 14, 2005, that it qualified to operate in Texas on or about April 21, 2006, and that Hammersmith Group was the General Partner. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 278, and, accordingly, deny the remaining allegations of Paragraph 278.

279. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 279 and, accordingly, deny Paragraph 279.

280. Defendants admit Paragraph 280 to the extent that Park Lake acquired lots in Pirates Beach on or about April 19, 2006. Otherwise Defendants are without knowledge or information sufficient to form a belief about the truth of the remaining allegations of Paragraph 280, and, accordingly, deny the remaining allegations of Paragraph 280.

281. Defendants admit Paragraph 281 to the extent that Watermark acquired lots in Pirates Beach from Park Lake. Otherwise Defendants are without knowledge or information sufficient to form a belief about the truth of the remaining allegations of Paragraph 281, and, accordingly, deny the remaining allegations of Paragraph 281.

282. Defendants admit Paragraph 282 to the extent that Watermark Land LP sold lots in

Pirates Beach to Royce Homes in or around June of 2007. Otherwise Defendants are without knowledge or information sufficient to form a belief about the truth of the remaining allegations of Paragraph 282, and, accordingly, deny the remaining allegations of Paragraph 282.

283. Defendants admit Paragraph 283.

284. Defendants admit Paragraph 284.

285. Defendants admit Paragraph 285.

286. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 286 and, accordingly, deny Paragraph 286.

287. Defendants deny the allegations of Paragraph 287.

288. Defendants admit Paragraph 288 to the extent that a portion of the consideration of the settlement between Mr. Kopecky and Mr. Speer was an interest in Watermark Land, LP. Otherwise, Defendants deny the remaining allegations of Paragraph 288.

289. Defendants admit Paragraph 289 to the extent that Mr. Kopecky would not become complicit in any scheme to defraud the Internal Revenue Service. Otherwise, Defendants deny the allegations of Paragraph 289.

290. Defendants admit Paragraph 290 to the extent that a portion of the consideration of the settlement between Mr. Kopecky and Mr. Speer was an interest in Watermark Land, LP. Otherwise, Defendants deny the remaining allegations of Paragraph 290.

291. Defendants admit Paragraph 291 to the extent that the Trustee is seeking to recover \$1.8 million. However, Defendants deny any liability as alleged.

292. Defendants admit Paragraph 292 to the extent that the Trustee has asserted a claim for breach of fiduciary duty, as well as conspiracy, aiding and abetting, and acting in concert in the

breach against other parties. Otherwise, Defendants deny Paragraph 292.

293. Defendants deny that Mr. Kopecky was an officer of Royce Homes and Hammersmith Group, and deny that he owed any fiduciary duty, as alleged. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of the remaining allegations is Paragraph 293 and, accordingly, deny Paragraph 293.

294. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 294 and, accordingly, deny Paragraph 294.

295. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 295 and, accordingly, deny Paragraph 295.

296. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 296 and, accordingly, deny Paragraph 296.

297. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 297 and, accordingly, deny Paragraph 297.

298. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 298 and, accordingly, deny Paragraph 298.

299. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 299 and, accordingly, deny Paragraph 299.

300. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 300 and, accordingly, deny Paragraph 300.

301. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 301 and, accordingly, deny Paragraph 301.

302. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 302 and, accordingly, deny Paragraph 302.

303. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 303 and, accordingly, deny Paragraph 303.

304. Defendants deny Paragraph 304 to the extent that it alleges that Mr. Kopecky participated in any breach of fiduciary duty. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of the remaining allegations of Paragraph 304, and, accordingly, deny the remaining allegations of Paragraph 304.

305. Defendants admit Paragraph 305 to the extent that the Trustee is seeking to recover the difference between the consideration paid by Allard and the alleged fair market value of the houses transferred to Allard. However, Defendants deny any liability as alleged.

306. Defendants deny the allegations of Paragraph 306.

307. Defendants deny the allegations of Paragraph 307.

308. Defendants deny the allegations of Paragraph 308.

309. Defendants deny the allegations of Paragraph 309.

310. Defendants deny the allegations of Paragraph 310.

311. Defendants deny the allegations of Paragraph 311.

312. Defendants deny the allegations of Paragraph 312.

313. Defendants deny the allegations of Paragraph 313.

314. Defendants deny the allegations of Paragraph 314.

315. Defendants deny the allegations of Paragraph 315.

316. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 316 and, accordingly, deny Paragraph 316.

317. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 317 and, accordingly, deny Paragraph 317.

318. Defendants deny the allegations of Paragraph 318.

319. Defendants deny the allegations of Paragraph 319.

320. Defendants deny the allegations of Paragraph 320.

321. Defendants deny the allegations of Paragraph 321.

322. Defendants deny the allegations of Paragraph 322. Defendants deny any liability as alleged in Paragraph 322.

323. Defendants deny the allegations of Paragraph 323. Defendants deny any liability, as alleged in Paragraph 323.

324. Defendants deny Paragraph 324 to the extent that the Trustee files a claim against certain parties. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of the remaining allegations of Paragraph 324, and, accordingly, deny the remaining allegations of Paragraph 324.

325. Paragraph 325 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 325.

326. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 326 and, accordingly, deny Paragraph 326.

327. Paragraph 327 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 327.

328. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 328 and, accordingly, deny Paragraph 328.

329. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 329 and, accordingly, deny Paragraph 329.

330. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraph 330, and, accordingly, deny such characterization of those documents in Paragraph 330.

331. Defendants admit that the plain terms of the documents construed, taking into account all plain terms, speak for themselves and will be construed by the Court. Defendants are without knowledge or information sufficient to form a belief about the truth of the characterization of the plain terms of the documents referenced in Paragraph 331, and, accordingly, deny such characterization of those documents in Paragraph 331.

332. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 332 and, accordingly, deny Paragraph 332.

333. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 333 and, accordingly, deny Paragraph 333.

334. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 334 and, accordingly, deny Paragraph 334.

335. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 335 and, accordingly, deny Paragraph 335.

336. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 336 and, accordingly, deny Paragraph 336.

337. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 337 and, accordingly, deny Paragraph 337.

338. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 338 and, accordingly, deny Paragraph 338.

339. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 339 and, accordingly, deny Paragraph 339.

340. Paragraph 340 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 340.

341. Paragraph 341 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 341.

342. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 342 and, accordingly, deny Paragraph 342.

343. Paragraph 343 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 343.

344. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 344 and, accordingly, deny Paragraph 344.

345. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 345 and, accordingly, deny Paragraph 345.

346. Defendants admit Paragraph 346 to the extent that the Trustee is seeking reimbursement from other parties. Otherwise, Defendants deny the allegations of Paragraph 346.

347. Defendants admit Paragraph 347 to the extent that the Trustee has filed a claim against other parties. Otherwise, Defendants deny the allegations of Paragraph 347.

348. Paragraph 348 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 348.

349. Paragraph 349 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 349.

350. Paragraph 350 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 350.

351. Paragraph 351 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 351.

352. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 352 and, accordingly, deny Paragraph 352.

353. Paragraph 353 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 353.

354. Paragraph 354 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 354.

355. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 355 and, accordingly, deny Paragraph 355.

356. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 356 and, accordingly, deny Paragraph 356.

357. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 357 and, accordingly, deny Paragraph 357.

358. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 358 and, accordingly, deny Paragraph 358.

359. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 359 and, accordingly, deny Paragraph 359.

360. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 360 and, accordingly, deny Paragraph 360.

361. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 361 and, accordingly, deny Paragraph 361.

362. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 362 and, accordingly, deny Paragraph 362.

363. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 363 and, accordingly, deny Paragraph 363.

364. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 364 and, accordingly, deny Paragraph 364.

365. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 365 and, accordingly, deny Paragraph 365.

366. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 366 and, accordingly, deny Paragraph 366.

367. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 367 and, accordingly, deny Paragraph 367.

368. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 368 and, accordingly, deny Paragraph 368.

369. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 369 and, accordingly, deny Paragraph 369.

370. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 370 and, accordingly, deny Paragraph 370.

371. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 371 and, accordingly, deny Paragraph 371.

372. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 372 and, accordingly, deny Paragraph 372.

373. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 373 and, accordingly, deny Paragraph 373.

374. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 374 and, accordingly, deny Paragraph 374.

375. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 375 and, accordingly, deny Paragraph 375.

376. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 376 and, accordingly, deny Paragraph 376.

377. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 377 and, accordingly, deny Paragraph 377.

378. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 378 and, accordingly, deny Paragraph 378.

379. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 379 and, accordingly, deny Paragraph 379.

380. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 380 and, accordingly, deny Paragraph 380.

381. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 381 and, accordingly, deny Paragraph 381.

382. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 382 and, accordingly, deny Paragraph 382.

383. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 383 and, accordingly, deny Paragraph 383.

384. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 384 and, accordingly, deny Paragraph 384.

385. Defendants admit Paragraph 385 to the extent that a dispute arose between Mr. Kopecky and Mr. Speer in 2008 and that the included quotation from a pleading in that dispute is an accurate quotation. Otherwise, Defendants deny the allegations of Paragraph 385.

386. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 386, and, accordingly, deny Paragraph 386.

387. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 387 and, accordingly, deny Paragraph 387.

388. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 388 and, accordingly, deny Paragraph 388.

389. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 389 and, accordingly, deny Paragraph 389.

390. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 390 and, accordingly, deny Paragraph 390.

391. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 391 and, accordingly, deny Paragraph 391.

392. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 392 and, accordingly, deny Paragraph 392.

393. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 393 and, accordingly, deny Paragraph 393.

394. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 394 and, accordingly, deny Paragraph 394.

395. Defendants admit Paragraph 395 to the extent that the Trustee is seeking declaratory relief from other parties. Otherwise, Defendants deny the allegations of Paragraph 395.

396. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 396 and, accordingly, deny Paragraph 396.

397. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 397 and, accordingly, deny Paragraph 397.

398. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 398 and, accordingly, deny Paragraph 398.

399. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 399 and, accordingly, deny Paragraph 399.

400. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 400 and, accordingly, deny Paragraph 400.

401. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 401 and, accordingly, deny Paragraph 401.

402. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 402 and, accordingly, deny Paragraph 402.

403. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 403 and, accordingly, deny Paragraph 403.

404. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 404 and, accordingly, deny Paragraph 404.

405. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 405 and, accordingly, deny Paragraph 405.

406. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 406 and, accordingly, deny Paragraph 406.

407. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 407 and, accordingly, deny Paragraph 407.

408. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 408 and, accordingly, deny Paragraph 408.

409. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 409 and, accordingly, deny Paragraph 409.

410. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 410 and, accordingly, deny Paragraph 410.

411. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 411 and, accordingly, deny Paragraph 411.

412. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 412 and, accordingly, deny Paragraph 412.

413. Defendants admit Paragraph 413 to the extent that the Trustee is seeking relief from other parties. Otherwise, Defendants deny the allegations of Paragraph 413.

414. Paragraph 414 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 414.

415. Paragraph 415 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 415.

416. Paragraph 416 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 416.

417. Paragraph 417 contains Trustee's legal arguments to which no response is required.

To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 417.

418. Paragraph 418 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 418.

419. Paragraph 419 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 419.

420. Paragraph 420 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 420.

421. Paragraph 421 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 421.

422. Paragraph 422 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 422.

423. Paragraph 423 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 423.

424. Paragraph 424 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph

424.

425. Paragraph 425 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 425.

426. Paragraph 426 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 426.

427. Paragraph 427 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 427.

428. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 428 and, accordingly, deny Paragraph 428.

429. Paragraph 429 incorporates Paragraphs 198 to 250 by reference. Defendants admit or deny these incorporated paragraphs on the same basis in ¶¶ 198-250 above.

430. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 430 and, accordingly, deny Paragraph 430.

431. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 431 and, accordingly, deny Paragraph 431.

432. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 432 and, accordingly, deny Paragraph 432.

433. Paragraph 433 relies on facts set forth throughout Trustee's Complaint, specifically Paragraphs 198 to 250. Defendants admit or deny any relied upon Paragraphs on the same basis as

set forth elsewhere in this Answer, and specifically in ¶¶ 198-250 above in response to relied upon Paragraphs 198 to 250.

434. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 434 and, accordingly, deny Paragraph 434.

435. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 435 and, accordingly, deny Paragraph 435.

436. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 436 and, accordingly, deny Paragraph 436.

437. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 437 and, accordingly, deny Paragraph 437.

438. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 438 and, accordingly, deny Paragraph 438.

439. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 439 and, accordingly, deny Paragraph 439.

440. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 440 and, accordingly, deny Paragraph 440.

441. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 441 and, accordingly, deny Paragraph 441.

442. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 442 and, accordingly, deny Paragraph 442.

443. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 443 and, accordingly, deny Paragraph 443.

444. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 444 and, accordingly, deny Paragraph 444.

445. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 445 and, accordingly, deny Paragraph 445.

446. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 446 and, accordingly, deny Paragraph 446.

447. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 447 and, accordingly, deny Paragraph 447.

448. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 448 and, accordingly, deny Paragraph 448.

449. Paragraph 449 incorporates all allegations as set forth by Trustee in the Complaint by reference. Defendants admit or deny these incorporated allegations on the same basis as set forth elsewhere herein.

450. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 450 and, accordingly, deny Paragraph 450.

451. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 451 and, accordingly, deny Paragraph 451.

452. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 452 and, accordingly, deny Paragraph 452.

453. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 453 and, accordingly, deny Paragraph 453.

454. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 454 and, accordingly, deny Paragraph 454.

455. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 455 and, accordingly, deny Paragraph 455.

456. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 456 and, accordingly, deny Paragraph 456.

457. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 457 and, accordingly, deny Paragraph 457.

458. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 458 and, accordingly, deny Paragraph 458.

459. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 459 and, accordingly, deny Paragraph 459.

460. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 460 and, accordingly, deny Paragraph 460.

461. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 461 and, accordingly, deny Paragraph 461.

462. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 462 and, accordingly, deny Paragraph 462.

463. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 463 and, accordingly, deny Paragraph 463.

464. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 464 and, accordingly, deny Paragraph 464.

465. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 465 and, accordingly, deny Paragraph 465.

466. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 466 and, accordingly, deny Paragraph 466.

467. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 467 and, accordingly, deny Paragraph 467.

468. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 468 and, accordingly, deny Paragraph 468.

469. Paragraph 469 incorporates all facts and allegations as set forth by Trustee in the Complaint by reference. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

470. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 470 and, accordingly, deny Paragraph 470.

471. Paragraph 471 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 471.

472. Paragraph 472 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Defendants are without knowledge or information sufficient to form a belief about the truth of the remaining allegations of Paragraph 472 and, accordingly, deny the remaining allegations of Paragraph 472.

473. Paragraph 473 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the

same basis as set forth elsewhere herein. Defendants are without knowledge or information sufficient to form a belief about the truth of the remaining allegations of Paragraph 473 and, accordingly, deny the remaining allegations of Paragraph 473.

474. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 474 and, accordingly, deny Paragraph 474.

475. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 475 and, accordingly, deny Paragraph 475.

476. Paragraph 476 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

477. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 477 and, accordingly, deny Paragraph 477.

478. Paragraph 478 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 478.

479. Paragraph 479 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 479 and, accordingly, deny Paragraph 479.

480. Paragraph 480 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the

same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 480 and, accordingly, deny Paragraph 480.

481. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 481 and, accordingly, deny Paragraph 481.

482. Paragraph 482 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 482.

483. Paragraph 483 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

484. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 484 and, accordingly, deny Paragraph 484.

485. Paragraph 482 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 482.

486. Paragraph 486 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 480 and, accordingly, deny Paragraph 486.

487. Paragraph 487 incorporates facts and allegations as set forth by Trustee in other

portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 487 and, accordingly, deny Paragraph 487.

488. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 488 and, accordingly, deny Paragraph 488.

489. Paragraph 489 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 489.

490. Paragraph 490 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

491. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 491 and, accordingly, deny Paragraph 491.

492. Paragraph 492 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 492.

493. Paragraph 493 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 493 and, accordingly, deny Paragraph 493.

494. Paragraph 494 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 494 and, accordingly, deny Paragraph 494.

495. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 495 and, accordingly, deny Paragraph 495.

496. Paragraph 496 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 496.

497. Paragraph 497 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

498. Defendants admit Paragraph 498 to the extent that Trustee seeks alternatively to avoid and recover certain transfers. Otherwise, Defendants deny Paragraph 498.

499. Paragraph 499 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 499.

500. Paragraph 500 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 500 and, accordingly, deny

Paragraph 500.

501. Paragraph 501 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 501 and, accordingly, deny Paragraph 501.

502. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 502 and, accordingly, deny Paragraph 502.

503. Paragraph 503 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 503.

504. Paragraph 504 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

505. Defendants admit Paragraph 505 to the extent that the Trustee seeks to recover certain distributions and property. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 505 and, accordingly, deny Paragraph 505.

506. Paragraph 506 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 506.

507. Paragraph 507 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the

same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 507 and, accordingly, deny Paragraph 507.

508. Paragraph 508 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 508 and, accordingly, deny Paragraph 508.

509. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 509 and, accordingly, deny Paragraph 509.

510. Paragraph 510 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 510.

511. Paragraph 511 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

512. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 512 and, accordingly, deny Paragraph 512.

513. Paragraph 513 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 513.

514. Paragraph 514 incorporates facts and allegations as set forth by Trustee in other

portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants deny the allegations of Paragraph 514.

515. Paragraph 515 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants deny the allegations of Paragraph 515.

516. Defendants deny the allegations of Paragraph 516.

517. Paragraph 517 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 517.

518. Paragraph 518 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

519. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 519 and, accordingly, deny Paragraph 519.

520. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 520 and, accordingly, deny Paragraph 520.

521. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 521 and, accordingly, deny Paragraph 521.

522. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 522 and, accordingly, deny Paragraph 522.

523. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 523 and, accordingly, deny Paragraph 523.

524. Paragraph 524 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 524.

525. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 525 and, accordingly, deny Paragraph 525.

526. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 526 and, accordingly, deny Paragraph 526.

527. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 527 and, accordingly, deny Paragraph 527.

528. Paragraph 528 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 528.

529. Paragraph 529 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 529 and, accordingly, deny Paragraph 529.

530. Paragraph 530 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or

information sufficient to form a belief about the truth of Paragraph 530 and, accordingly, deny Paragraph 530.

531. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 531 and, accordingly, deny Paragraph 531.

532. Paragraph 532 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 532.

533. Paragraph 533 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

534. Defendants admit Paragraph 534 to the extent that the Trustee seeks to avoid transactions and recover certain value allegedly received. Otherwise, Defendants deny Paragraph 534.

535. Paragraph 535 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 535.

536. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 536 and, accordingly, deny Paragraph 536.

537. Paragraph 537 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 537 and, accordingly, deny

Paragraph 537.

538. Paragraph 538 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 538 and, accordingly, deny Paragraph 538.

539. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 539 and, accordingly, deny Paragraph 539.

540. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 540 and, accordingly, deny Paragraph 540.

541. Paragraph 541 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 541.

542. Paragraph 542 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

543. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 543 and, accordingly, deny Paragraph 543.

544. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 544 and, accordingly, deny Paragraph 544.

545. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 545 and, accordingly, deny Paragraph 545.

546. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 546 and, accordingly, deny Paragraph 546.

547. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 547 and, accordingly, deny Paragraph 547.

548. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 548 and, accordingly, deny Paragraph 548.

549. Paragraph 549 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 549.

550. Paragraph 550 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 550 and, accordingly, deny Paragraph 550.

551. Paragraph 551 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 551 and, accordingly, deny Paragraph 551.

552. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 552 and, accordingly, deny Paragraph 552.

553. Paragraph 553 contains Trustee's legal arguments to which no response is required.

To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 553.

554. Paragraph 554 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

555. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 555 and, accordingly, deny Paragraph 555.

556. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 556 and, accordingly, deny Paragraph 556.

557. Defendants admit Paragraph 557 to the extent that the Trustee seeks to avoid and recover the stated alleged transfer. Otherwise, Defendants deny Paragraph 557.

558. Paragraph 558 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 558.

559. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 559 and, accordingly, deny Paragraph 559.

560. Paragraph 560 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 560 and, accordingly, deny Paragraph 560.

561. Paragraph 561 incorporates facts and allegations as set forth by Trustee in other

portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 561 and, accordingly, deny Paragraph 561.

562. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 562 and, accordingly, deny Paragraph 562.

563. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 563 and, accordingly, deny Paragraph 563.

564. Paragraph 564 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 564.

565. Paragraph 565 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

566. Paragraph 566 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 566.

567. Defendants deny the allegations of Paragraph 567 as they relate to Defendants. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 567 and, accordingly, deny Paragraph 567.

568. Paragraph 568 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph

568.

569. Paragraph 569 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 569.

570. Paragraph 570 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 570.

571. Paragraph 571 incorporates facts and allegations as set forth by Trustee in other portions of the Complaint. Defendants admit or deny these incorporated facts and allegations on the same basis as set forth elsewhere herein.

572. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 572 and, accordingly, deny Paragraph 572.

573. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 573 and, accordingly, deny Paragraph 573.

574. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 574 and, accordingly, deny Paragraph 574.

575. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 575 and, accordingly, deny Paragraph 575.

576. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 576 and, accordingly, deny Paragraph 576.

577. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 577 and, accordingly, deny Paragraph 577.

578. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 578 and, accordingly, deny Paragraph 578.

579. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 579 and, accordingly, deny Paragraph 579.

580. Paragraph 580 contains Trustee's legal arguments to which no response is required. To the extent that a responsive pleading is necessary, Defendants deny the allegations of Paragraph 580.

581. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 581 and, accordingly, deny Paragraph 581.

582. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 582 and, accordingly, deny Paragraph 582.

583. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 583 and, accordingly, deny Paragraph 583.

584. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 584 and, accordingly, deny Paragraph 584.

585. Defendants admit Paragraph 585 to the extent that the Trustee is seeking an equitable lien, constructive trust and turnover order. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 585 and, accordingly, deny Paragraph 585.

586. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 586 and, accordingly, deny Paragraph 586.

587. Defendants are without knowledge or information sufficient to form a belief about the

truth of Paragraph 587 and, accordingly, deny Paragraph 587.

588. Defendants admit Paragraph 588 to the extent that the Trustee is seeking an equitable lien and constructive trust. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 588 and, accordingly, deny Paragraph 588.

589. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 589 and, accordingly, deny Paragraph 589.

590. Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 590 and, accordingly, deny Paragraph 590.

591. Defendants admit Paragraph 591 to the extent that the Trustee is seeking an equitable lien and constructive trust. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of Paragraph 591 and, accordingly, deny Paragraph 591.

592. Defendants generally deny any allegation that has not been expressly admitted.

RESPONSE TO COMPLAINT PRAYER

1. Defendants deny that the Trustee is entitled to any relief sought in the Prayer for Relief and Paragraph 1(a)-(r).

2. Defendants deny that the Trustee is entitled to any relief sought in the Prayer for Relief and Paragraph 2(a)-(f).

3. Defendants deny that the Trustee is entitled to any relief sought in the Prayer for Relief and Paragraph 3(a)-(i).

4. Defendants deny that the Trustee is entitled to any relief sought in the Prayer for Relief and Paragraph 4(a)-(q).

5. Defendants deny that the Trustee is entitled to any relief sought in the Prayer for

Relief and Paragraph 5(a)-(c).

6. Defendants deny that the Trustee is entitled to any relief sought in the Prayer for Relief and Paragraph 6(a)-(p).

7. Defendants deny that the Trustee is entitled to any relief sought in the Prayer for Relief and Paragraph 7(a)-(d).

8. Defendants deny that the Trustee is entitled to any relief sought in the Prayer for Relief and Paragraph 8(a)-(c).

9. Defendants deny that the Trustee is entitled to any relief sought in the Prayer for Relief and Paragraph 9(a)-(c).

10. Defendants deny that the Trustee is entitled to any relief sought in the Prayer for Relief and Paragraph 10(a)-(c).

11. Defendants deny that the Trustee is entitled to any relief sought in the Prayer for Relief and Paragraph 11(a)-(j).

12. Defendants deny Paragraph 12.

13. Defendants generally deny any allegation that has not been expressly admitted.

DEFENSES AND AFFIRMATIVE DEFENSES

1. The Trustee has stated claims upon relief may not be granted. The Trustee has stated claims which are frivolous.

2. Alternatively, in the unlikely event, the Trustee has stated any alleged claims, then the Trustee has stated alleged claims upon which the Defendants are entitled to a jury trial. The Defendants do not consent to a jury trial in this Court. The reference should be withdrawn.

3. Alternatively, the Trustee is precluded from recovery, in whole or in part, by the

doctrines of settlement, release and issue and claims preclusion and by the failure of the Trustee to comply with the terms of the settlement agreement.

4. Alternatively, the Trustee is precluded from recovery, in whole or on part, because the Defendants did not have knowledge as alleged of the alleged wrongful acts or conduct (if proved to be true).

5. Alternatively, Defendants did not have the alleged actual or imputed knowledge.

6. Alternatively, Defendants assert all affirmative defenses available under the Texas Business and Commerce Code.

7. Alternatively, Defendants assert all affirmative defenses available under 6 Del.C. §§1304, 1305 and 1309 (DUFTA).

8. Alternatively, Defendants assert that Trustee's fraudulent transfer claims are barred, in whole or in part, because the Debtor was not insolvent at the time of the alleged transfers as alleged.

9. Alternatively, Defendants assert that the property, the subject of which constituted the alleged transfers, was not property of the estate as alleged.

10. Alternatively, Defendants assert the affirmative defense of limitation to the extent it seeks recovery on allegations that are time barred by statute.

11. Alternatively, the Trustee is precluded from recovery, in whole or on part, under the business judgment rule.

12. Alternatively, the Trustee is precluded from recovery, in whole or on part, under the doctrines of justification and privilege.

13. Alternatively, the Trustee is precluded from recovery, in whole or on part, under the

doctrine of ratification.

14. Alternatively, the Trustee is precluded from recovery, in whole or on part, under the doctrines of laches, waiver, estoppel, bad faith, and/or unclean hands.

15. Alternatively, the Trustee is precluded from recovery, in whole or in part, under the principles of comparative fault and causation.

16. Alternatively, Defendants did not engage in the alleged conduct which must exist for any of the alleged claims.

17. Alternatively, Defendants did not receive any notice required for any alleged liability.

18. Alternatively, there is no cause of action for conspiracy to breach a contract or for aiding and abetting in the breach of a contract.

19. Alternatively, with regard to any fraud claims against Defendants, no representations by Defendants form the basis of the alleged fraud claims.

WHEREFORE, PREMISES CONSIDERED, Defendants pray that the Court deny the relief sought by Trustee against the Defendants, and that the Court grant judgment for all available whole, partial, general, specific, legal, equitable, statutory or other relief to which they may be justly entitled.

Respectfully submitted,

/s/ Marc J. Magids.

MARC J. MAGIDS

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing Defendants Watermark Land, LLC f/k/a Watermark Land, LP, and Watermark Tortuga's Original Answer to Trustee's Original Complaint was served on the parties required by Local Bankruptcy Rule in this case, either by mailing a copy of the same to all parties entitled to notice by regular U.S. mail postage prepaid or by electronic notice pursuant to the Local Bankruptcy Rules on May 31, 2011.

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VIA ECF

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/s/ Marc J. Magids .